

OVERSEAS DIFFERENTIALS AND ALLOWANCES

Another important employee measure, developed by the committee through its Civil Service Subcommittee studies over the past several years, is contained in H.R. 7758, passed by the House September 7, 1959. This bill will improve and strengthen administration of overseas activities of the Government by establishing a coordinated and reasonably uniform system to compensate American citizens employed abroad by the Government for additional costs, hardships and inconveniences incident to their working assignments abroad. There will be uniform treatment for all overseas employees, to the extent practicable.

The bill embodies the principle that the Government should provide equal treatment for its overseas employees in respect to the additional expenses they incur because of their assignments abroad, over and above expenses of Government employees in the United States, and the hardships, inconveniences, and other differences in environment or conditions of employment which justify additional compensation or allowances.

The bill consolidates a wide variety of existing provisions of law granting allowances and differentials for the several categories of Federal employees in overseas areas. Provision is made for a temporary lodging allowance after arrival at a new overseas post and before final departure from the post; reasonable repairs to make substandard living quarters habitable; the inclusion of water as a utility covered by quarters allowances; advance payment of quarters allowances; allowances for maintenance of dependents where a separate establishment is necessary for them away from the post of duty; a post allowance to compensate for living costs higher than in Washington, D.C.; a transfer allowance upon assignment to a foreign post or at a post in the United States between foreign assignments; transportation of children—one round trip to the United States and back—for secondary or college education; a hardship post differential not exceeding 25 percent of basic pay for foreign conditions of environment warranting additional compensation; payment for packing and unpacking, transporting to and from storage, and storing furniture and household and personal effects of employees assigned to foreign posts; payment of unusual expenses incident to the operation of official residences suitable for chief representatives of the United States, and other senior officials designated by the President, at foreign posts; and transportation of the motor vehicle of an employee to his overseas post subject to a general limitation that only one such vehicle may be shipped during each 4 years of overseas service.

Home leave, such as now provided for the Foreign Service, is authorized for other employees who complete 24 months of continuous service abroad, in addition to the usual annual leave. Authority to accumulate up to 45 days of annual leave, now available to classified civilian employees abroad, is extended to employees of agencies operating under the Foreign Service Act or related law. Existing income tax exemptions for foreign areas allowances—but not post differentials—are continued in effect for the foreign areas allowances contained in the bill.

The value of the additional employee benefits provided by this legislation is estimated at \$3 million annually.